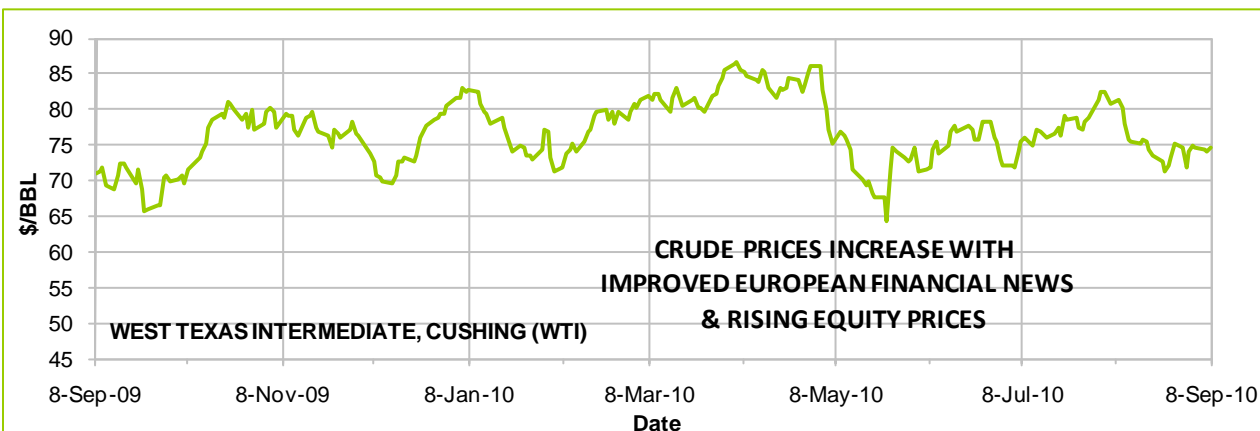


Crude Oil



Crude inventories fell by 1.9 million barrels this week, 3 times the expected decline of 0.6 million but only 40% of the 5-year average decline of 4.8 million. Flat production, an 0.6% increase in inputs to refineries (refinery utilization rose from 87.0% to 88.2%), and an 8.2% decline in imports lead to the larger than expected decline in inventories. Crude stocks are 6.4% above last year and 11.9% above the 5-year average. Inventory levels are at their highest level for this date since 1990 and are the second highest ever for the time period.

Crude prices rose with an improved financial climate in Europe and rising equities prices. Spot prices and futures prices were up \$0.68 and \$1.12 for the week and by \$2.59 and \$4.08 over the past 2 weeks after declining over the previous 3 weeks. The spot price settled at \$74.63, \$3.58 (5.0%) higher than a year ago. Futures prices were at \$80.08, \$6.59 (8.0%) higher than last year. Both prices are almost 50% below 2008's peak price.



Natural Gas



Inventories grew by 58 BCF this week, right in the middle of the expected range of 56 to 60 BCF. This was 6.1% below the 5-year average gain of 62 BCF. Over the past 25 weeks inventories have grown by 1,549 BCF, 6.3% higher than the normal gain of 1,457 BCF. At 3,164 BCF, this week's inventory level is 5.5% above the 5-year average but trails last year's record high of 3,382 BCF by 6.4%. Inventories remain at high levels despite U.S. cooling degrees days running 22% above normal this year.

Futures prices fell this week on forecasts of cooler weather and no threats of storms. Futures prices settled at \$4.413 per million BTU, down 2.4 cents for the week and 7.7% lower than a year ago. They are 66.9% below their 2008 peak. Spot rose by 8.0 cents on hot weather earlier in the week. At \$3.820 per million BTU, they are 57.2% higher than a year ago but 71.3% below their 2008 peak price. The 12-month strip is now at December of 2002 levels.

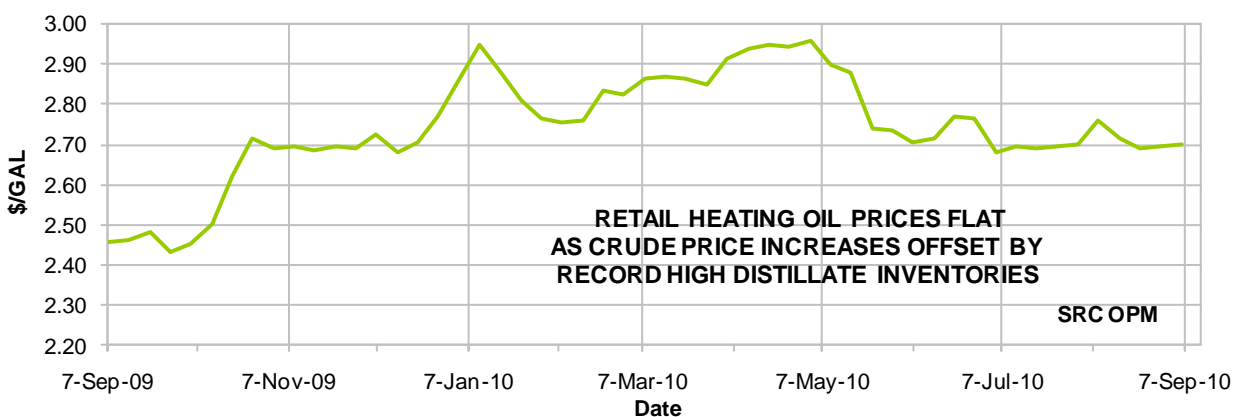


Heating oil



Distillate stocks fell unexpectedly by 0.4 million barrels this week and by 1.1 million over the past 2 weeks compared to a normal 2-week gain of 2.4 million. They are 5.8% above last year and are still at a record high for this date, 24.1% above the five-year average.

The 12 month strip rose by 4.1 cents this week as prices followed crude upward. It is now at \$2.171/gal, 24.8 cents (12.9%) higher than a year ago. The spot price rose by 3.3 cents this week and is at \$2.054 /gal, 31.3 cents (18.0%) above last year. Prices are about half of their 2008 peaks. Retail prices rose by 0.3 cents this week and by 0.6 cents over the past 2 weeks as record high distillate inventories continue to temper the impact of higher crude prices. Retail prices are at \$2.698/gal. They are 24.1 cents (9.8%) above a year ago but are \$2.069 (43.4%) below their 2008 peak price. The highest price in this week's survey was \$3.249 and the lowest was \$2.299. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
7-Sep-09	2.617	2.999	2.399	2.418	2.999	1.849	2.433	2.710	2.169
23-Aug-10	2.841	3.299	2.400	2.668	3.199	2.279	2.673	2.840	2.480
30-Aug-10	2.826	3.249	2.400	2.678	3.199	2.399	2.681	2.840	2.480
6-Sep-10	2.828	3.249	2.400	2.682	3.199	2.299	2.681	2.840	2.480
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
7-Sep-09	2.479	2.599	2.349	2.509	2.599	2.400	2.423	2.599	2.300
23-Aug-10	2.645	2.759	2.599	2.729	2.899	2.490	2.629	2.799	2.499
30-Aug-10	2.617	2.679	2.549	2.751	2.899	2.590	2.623	2.749	2.499
6-Sep-10	2.631	2.699	2.549	2.751	2.899	2.590	2.636	2.749	2.499
	NEW HAVEN								
	AVG	HIGH	LOW						
7-Sep-09	2.384	2.590	2.059						
23-Aug-10	2.629	2.890	2.359						
30-Aug-10	2.639	2.899	2.359						
6-Sep-10	2.638	2.890	2.369						

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning September 6, 2010. Figures reflect per gallon prices without discount.

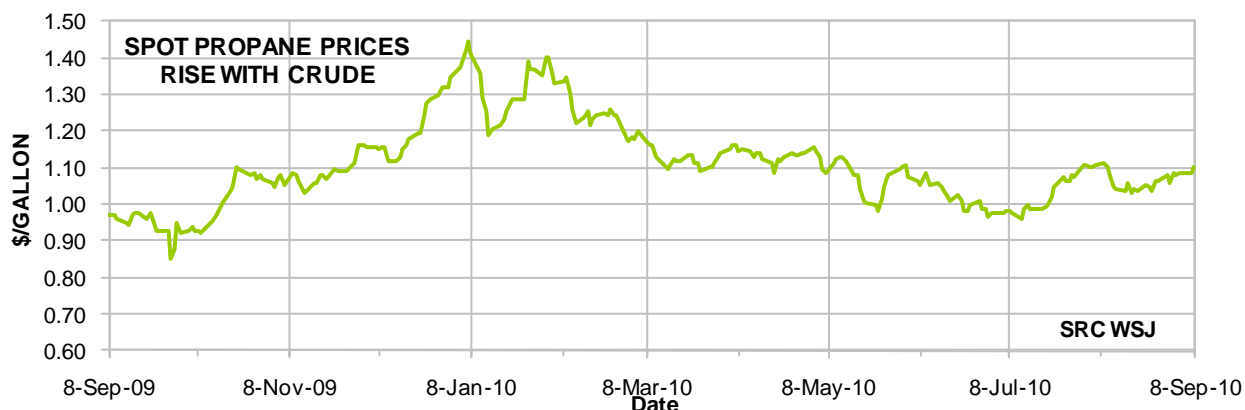
For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventories continue to improve, increasing by 1.5 million barrels this past week and by 3.0 million over the past 2 weeks. The latest weekly gain was 67% higher than the 5-year average gain for the time period. Current storage levels now trail last year's levels by only 9.3% compared to by 22% just 6 weeks ago. Inventories have improved 3.3% above the 5-year average.

Spot propane prices have been generally tracking crude oil prices. They were 1.4 cents higher this past week and up by 7.0 cents over the past three weeks. Prices have fallen by 34.6 cents (23.9%) since the beginning of the year. At \$1.100 per gallon yesterday, spot prices are 13.1 cents (13.5%) higher than a year ago but 44.4% lower than their peak 2008 price. According to census data, propane is used to heat 2.7% of homes in Connecticut.



Gasoline



Gasoline inventories fell by only 0.2 million barrels this past week compared to an expected decline of 0.9 million and a 5-year average decline of 1.5 million barrels. Inventories levels are 8.8% above last year and 14.3% above the 5-year average. Stocks are at their highest level ever for this date.

Futures and spot prices continue to track crude prices. At \$2.061/gal, futures were up 3.6 cents and are 12.9 cents (6.7%) higher than last year. At \$1.960/gal, the spot price rose 5.0 cents and is 9.6 cents (5.1%) higher than a year ago. Spot prices and futures prices are about 43% below their 2008 peaks. Retail prices fell by 1.7 cents this past week and by 11.4 cents over the past 4 weeks. Weak demand, high inventories, and previously falling crude prices have lead to the lowest retail prices of the year. At \$2.784/gal, retail prices are 3.0 cents (1.1%) lower than a year ago and they are 36.6% (\$1.606) below 2008's peak.

